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UNITED STATES OF AMERICA

16 UNITED STATES DISTRICT COURT
17 FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

19 UNITED STATES OF AMERICA,

No. 2:22-cv-02902-JLS-PDx

20 Plaintiff,

**STIPULATION AND REQUEST TO ENTER
CONSENT JUDGMENT OF FORFEITURE
[UNDER SEAL]**

21 vs.

22 REAL PROPERTY IN LOS ANGELES,
23 CALIFORNIA,

25 Defendant.

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1 **I. INTRODUCTION**

2 By the signatures of their counsel hereunder, Plaintiff United
3 States of America ("United States" or "the government"), and Claimants
4 WRH, Inc., Gurgen Khachtryan, and Artyom Khachtryan ("Claimants,"
5 and together with the United States, the "Parties"), respectively
6 request that the Court enter the Proposed Consent Judgment of
7 Forfeiture lodged contemporaneously herewith, to carry into effect the
8 terms of this stipulation (the "Stipulation"), which is dispositive
9 of this action.

10 Nothing in this Stipulation or the Proposed Consent Judgment is
11 intended to be or constitutes an admission of fault, wrongdoing,
12 liability, or guilt on the part of Claimants. The entry of the
13 Proposed Consent Judgment shall resolve all the government's civil
14 forfeiture claims that have arisen on or before the date of this
15 stipulation as to the defendant real property in Los Angeles,
16 California described as:

17 Lot 36 of Tract No. 9061, in the City of Los Angeles, County
18 of Los Angeles, State of California, as per Map recorded in
19 Book 121, Pages 64 to 66 inclusive of Maps, in the Office of
the County Recorder of said County

20 with Assessor's Parcel Number 4359-013-027 (the "Defendant Property"),
21 and also known as 530 South Mapleton Drive.

22 **II. PROCEDURAL HISTORY**

23 This action was commenced on May 22, 2022, against the Defendant
24 Property. The government gave and published notice of the action as
25 required by law, including Rule G of the Supplemental Rules for
26 Admiralty or Maritime Claims and Asset Forfeiture Actions, Federal
27 Rules of Civil Procedure, and the Local Rules of this Court.

28 Claimants WRH, Inc., Gurgen Khachtryan, and Artyom Khachtryan

1 timely filed a claim to the Defendant Property. (DE 11). Sedrak
2 Arustamyan filed the only other claim to the Defendant Property (DE
3 19), which he subsequently withdrew with prejudice. (DE 54). No other
4 claims were filed, and the time for filing claims has expired. Thus,
5 the only remaining claim is that of Claimants WRH, Inc., Gurgen
6 Khachatryan, and Artyom Khachatryan. Entry of the Proposed Consent
7 Judgment will resolve all claims of the Claimants with respect to the
8 Defendant Property and is dispositive of this action.

9 On August 29, 2022, this Court entered an Order authorizing
10 interlocutory sale of the Defendant Property. (DE 36).

11 **III. JURISDICTION AND TERMS**

12 **A. Jurisdiction And Basis For Forfeiture**

13 The Parties agree that this Court has jurisdiction over the
14 Parties, this action, and the Defendant Property for purposes of this
15 Stipulation. The Parties further agree that the allegations set out
16 in the operative complaint, if true, would be sufficient to establish
17 a basis for forfeiture of the Defendant Property. However, nothing
18 contained in this Stipulation or the Proposed Consent Judgment is
19 intended or should be interpreted as an admission of fault, guilt,
20 liability, or any form of wrongdoing by Claimants. Notwithstanding
21 any other provision of this Stipulation or the Proposed Consent
22 Judgment, the forfeiture of the Defendant Property does not constitute
23 a fine, penalty, or punitive damages.

24 **B. Terms**

25 1. The Parties, collectively and individually, and with the
26 authority and intent of their respective predecessors, assigns,
27 subsidiaries, parent companies, and affiliated entities, have entered

1 into this Stipulation to reach an agreement that forever resolves this
2 action.

3 2. The Proposed Consent Judgment provides that Claimants shall
4 forfeit to the government any right, title, or interest in the
5 Defendant Property, and that no other right, title, or interest shall
6 exist therein.

7 3. The Defendant Property has not been sold to date. As such,
8 the Parties stipulate and agree that the August 29, 2022 Order
9 authorizing interlocutory sale of the Property (DE 36) should be
10 vacated and the Defendant Property forfeited pursuant to the terms of
11 this Stipulation as set forth herein.

12 4. Upon forfeiture of the Defendant Property, the United States
13 Marshals Service ("USMS") shall attempt to sell the Defendant Property
14 at the highest obtainable market price as determined by the USMS, in
15 its sole discretion, in accordance with its policies and procedures.
16 The proceeds of any sale of the Defendant Property shall be distributed
17 as follows:

18 a. First, payment of the Parties' costs and
19 expenses of the sale, which shall include, as
20 applicable, real estate sales commissions (not
21 to exceed 4% of the total sales price); seller's
22 escrow fees; document recording fees; title
23 fees; county/city transfer fees and taxes
24 (including, if applicable, taxes pursuant to
25 Measure ULA); reasonable inspection, appraisal
26 and out-of-pocket fees incurred by the USMS's
27 real property contractor in connection with the
28 oversight, disposition and preservation of the

1 Defendant Property, including expenditures
2 incurred pursuant to paragraph 1 of the
3 supplemental stipulation (Dkt. 75); and any
4 liens against the Property, including
5 materialman's and mechanic's liens, and any
6 utilities or other expenses customarily
7 required to complete a sale;

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9 b. Second, payment of any outstanding real
10 property taxes to the relevant treasurer-tax
11 collector to the date of closing of escrow, up
12 to the available proceeds of the sale; and

13
14 c. Third, to the extent funds remain (the "Net
15 Proceeds"), 85% of such Net Proceeds shall be
16 retained by the United States of America and 15%
17 shall be released to Claimants (the "Released
18 Funds"), according to the terms of this
19 Stipulation.

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21 5. In the event that any of the fees, costs, expenses, or taxes
22 described in Paragraphs 4(a) and 4(b) are refunded to the United States
23 or Claimants, they shall be added to the Net Proceeds and allocated
24 as set forth in Paragraph 4(c), except that the amounts of any real
25 property taxes paid by Claimants before forfeiture that are refunded
26 or credited, in whole or in part, because they accrued or would have
27 accrued after forfeiture shall not be added to the Net Proceeds and
28 shall be refunded or credited in full to Claimants.

1 6. Claimants acknowledge that payments from the United States,
2 including payment of the Released Funds, must be processed by the
3 Department of Treasury, which may offset the payment to collect
4 delinquent debts owed to the United States, any state, or past-due
5 child support. Neither the Department of Justice nor the United States
6 Marshals Service will receive any notification of any such offset. If
7 a payment is offset or levied, Claimants will receive notification
8 from the Department of Treasury at the last address provided by the
9 debtor or the creditor agency. Claimants may also call the Department
10 of Treasury at (800) 304-3107 to inquire if their payment was subject
11 to an offset.

12 7. It is the present intention of the Money Laundering and
13 Asset Recovery Section of the U.S. Department of Justice and the U.S.
14 Attorney's Office for the Central District of California to recommend
15 that the Net Proceeds retained by the United States, if appropriate
16 and authorized by law, be used for the benefit of the people of the
17 Republic of Armenia, after deduction of the government's associated
18 costs, consistent with the government's prior practice in similar
19 cases.

20 8. Claimants acknowledge that disposition of the Net Proceeds
21 retained by the United States is within the sole discretion of the
22 United States in accordance with law. It is Claimants' request that
23 such funds be disbursed to the Republic of Armenia.

24 9. The Released Funds shall be paid to one or more bank
25 account(s) to which payment may be made consistent with United States
26 law as directed by Vinson & Elkins LLP ("Vinson & Elkins"). Vinson &
27 Elkins shall provide all information required to facilitate the
28 payment, including personal identification information required by

1 federal law or regulation, and shall complete all required documents.
2 The payment of the Released Funds shall be made no later than 90 days
3 after the closing of any sale of the Defendant Property, except that,
4 if 90 days after the closing of such sale, the amount of the fees,
5 costs, expenses, or taxes described in Paragraphs 4(a) and 4(b) above
6 cannot be reasonably determined, the United States shall be permitted
7 to hold in escrow such portion of the Released Funds that may be needed
8 to satisfy such fees, costs, expenses, or taxes, until such time as
9 they can be reasonably determined.

10 10. The government agrees that it shall not now nor in the future
11 institute any action against Vinson & Elkins and/or Claimants, or seek
12 the seizure, freezing, return, forfeiture, or restraint of any kind
13 of any of the Released Funds, nor any interest earned on the Released
14 Funds, for any acts or omissions preceding the date of this Stipulation
15 and arising out of this action.

16 11. Claimants shall not contest or assist any other individual
17 or entity in contesting the forfeiture--whether administrative, civil,
18 or criminal--or sale of the Defendant Property, and shall cooperate
19 in all respects with such forfeiture and sale.

20 12. Claimants shall execute such documents, and request that
21 third parties execute such documents, as requested by the government
22 for the purposes of facilitating transfer or clearing of title to and
23 management or sale of the Defendant Property.

24 13. Claimants release the United States of America, its
25 agencies, agents, and officers, including employees and agents of the
26 Federal Bureau of Investigation and USMS, and its contractors, from
27 any and all claims, actions, or liabilities arising out of or related
28 to the seizure, retention, forfeiture, and sale of the Defendant

1 Property and the commencement of this action, including any claim for
2 attorneys' fees or costs, which may be asserted against the United
3 States, whether pursuant to 28 U.S.C. § 2465 or otherwise. Claimants
4 waive any rights they may have to remission or mitigation in connection
5 with the forfeiture of the Defendant Property.

6 14. The Parties shall attempt in good faith to resolve any
7 disputes about the interpretation of or compliance with the terms of
8 this Stipulation or the Proposed Consent Judgment. Should the Parties
9 be unable to resolve any such dispute, either party may move the Court
10 to resolve the dispute and to impose any remedy this Court deems
11 necessary to enforce the terms of this Stipulation and Proposed Consent
12 Judgment.

13 15. The Parties further stipulate and agree that the Court's
14 entry of the Proposed Consent Judgment shall constitute final and
15 complete satisfaction of all claims asserted by the government and
16 Claimants as relates to this action with respect to the Defendant
17 Property. The Parties agree that they will not appeal the Court's
18 entry of the Proposed Consent Judgment and hereby waive appeal of the
19 entry of such judgment and of all prior orders of the Court merged
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1 therein. Except as expressly provided otherwise in this Stipulation,
2 each of the Parties shall bear its own fees and costs in connection
3 with the seizure, retention, and forfeiture of the Defendant Property.

4 SO STIPULATED.

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7 Acting Chief
8 Money Laundering and Asset
Recovery Section,
Criminal Division
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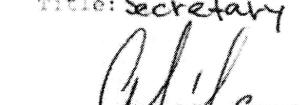
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WRH, Inc.
Printed Name: Ted Khachatrian
Title: Secretary


Gurgen Khachatryan


Artyom Khachatryan